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House of Representatives, U. S.

55-2601

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Washington, D. C.

October 14, 1955

Display To: TS S Country To: TS S Countr

Honorable Allen W. Dulles Director, Central Intelligence Agency 2430 E Street Washington, D. C.

Dear Mr. Dulles:

Under the authority of H. Res. 304, 84th Congress, the Committee has been authorized and directed to conduct full and complete investigations and studies of matters relating to the conservation of manpower in the respective departments and agencies. With more than 2,300,000 federal employees and a payroll in the neighborhood of ten billion dollars a year, it is clear that it would not be practicable for the committee to independently attempt to conduct an analysis of these matters.

The Committee visualizes a self-study of functions, organization, personnel allocations and relationships to be conducted by personnel of each agency, under the supervision of the Administrator's office and reporting directly thereto. The entire study should be directed at a better and more economical use of manpower throughout each agency.

The program is directed toward two goals. First, immediate action has been initiated which will lead to an eventual overall reduction of 10 per cent in the number of civilian employees on government rolls. Second, a functional survey and manpower control concept will be developed to enable each department and agency to analyze its operations on a continuing basis in the interest of maintaining economical use of manpower.

The Committee approach to reducing manpower is on the basis of an engineered reduction in manpower and not an arbitrary percentage cut in non-essential and essential functions alike.

The Committee looks forward to the full cooperation of the heads of the executive departments and agencies in undertaking this program. For example, in the 83rd Congress, our Committee, working in cooperation with the Defense Department on a similar project, succeeded in bringing about a very much improved situation in the personnel utilization of the Departments of the Army, Navy and Air Force. This was done through self-evaluation programs carried out by these departments in cooperation with this Committee. One of these departments,

Approved For Release 2001/03/02: CIA-RDP60-00213A000100040004-7

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the Air Force, reported to us that as a result of their self—analysis 86,000 positions were eliminated or the personnel transferred to other areas where their services would be more fully utilized. As a result, the Air Force was able to increase the number of air combat wings from 106 to 110 and still remain within a reduced budget.

Sometime ago the heads of all departments and certain designated agencies were requested by me to participate in a self-analysis program. A conference was held on September 22, 1955, with liaison officers appointed by the departments and agencies, in order to elaborate on the Committee's objectives. At that time, Congressman James C. Davis, Chairman of the Subcommittee on Manpower Utilization and Department Personnel Management, stressed the need for reducing government payrolls by at least 10 per cent. Mr. Davis stated that the Subcommittee would expect each department and agency to make a self-analysis of its functions.

It is expected that the results of these studies will play a significant part in reducing expenditures so that our federal budget may be balanced. What is more important, the balancing of the budget, as far as the manpower element is concerned, will be accomplished under the Committee's program by eliminating the least essential functions, cutting out duplication and overlapping of effort, and simplifying the problems of administration.

It is planned that all agencies participate in this study and is requested that you take the necessary steps to authorize a select unit of qualified employees of your agency to conduct such an agency-wide self-study.

The Committee would appreciate a progress report by December 15, 1955, including the results to date of the functional analysis as well as a statement of actions taken in following through on improved personnel administration and manpower utilization.

With best wishes, I am

Sincerely yours,

Tom Murray, Chairman

Encl: Material released to Departments and other Agencies